

STATE OF NORTH DAKOTA

IN DISTRICT COURT

COUNTY OF WARD

NORTH CENTRAL JUDICIAL DISTRICT

Shanco, LLC,  Plaintiff,  vs.  Markel American Insurance Company,  Defendant.	Civil No. _____  <b>SUMMONS</b>
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THE STATE OF NORTH DAKOTA TO THE ABOVE-NAMED DEFENDANT:

You are hereby summoned and required to appear and defend against the Complaint in this action, which is or will be filed with the Clerk of District Court and which is herewith served upon you, by serving upon the undersigned an Answer or other proper response within twenty-one (21) days after the service of this Summons upon you, exclusive of the day of service. If you fail to do so, judgment by default will be taken against you for the relief demanded in the Complaint.

Dated this 4 day of February, 2021.

**McGEE, HANKLA & BACKES, P.C.**



Jason R. Vendsel (ID No. 04912)  
2400 Burdick Expy East, Suite 100  
P.O. Box 998  
Minot, ND 58702-0998  
Telephone: (701) 852-2544  
[jvendsel@mcgeelaw.com](mailto:jvendsel@mcgeelaw.com)

*ATTORNEYS FOR THE PLAINTIFF*

STATE OF NORTH DAKOTA

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<p>Shanco, LLC,</p> <p>Plaintiff,</p> <p>vs.</p> <p>Markel American Insurance Company,</p> <p>Defendant.</p>	<p>Civil No. _____</p> <p><b>COMPLAINT</b></p>
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The Plaintiff, Shanco, LLC, (hereafter “Shanco”) for its cause of action against the Defendant, Markel American Insurance Company (hereafter “Markel”), states and alleges as follows:

1. Plaintiff is a Limited Liability Company organized under the laws of the State of Missouri, that is authorized to do business in North Dakota, its primary offices located in Minot, North Dakota.
2. Upon information and belief, Markel is a for profit corporation that is authorized to sell insurance products within the State of North Dakota, with a principal place of business in Virginia.
3. Shanco, purchased an oil and gas equipment policy of insurance from Markel which purportedly provided coverage for damages to leased and/or rented equipment, designated as policy number MKLM7IM0052268.
4. At all times, Shanco complied, in all respects, with the terms and conditions of the policy of insurance with Markel.
5. In early 2019 Shanco rented a Komatsu excavator from third party, General Equipment and Supplies, Inc., to utilized in its operations.

6. At some point in May of 2019 the Komatsu excavator became severely damaged by the actions of an unknown third party.

7. Following the damage to the Komatsu excavator, Shanco submitted a claim to Defendant Markel who, wrongfully, and in bad faith, failed and/or refused to investigate the loss and, ultimately, denied coverage for the loss.

8. As a direct and proximate result of Defendant's breach of contract and bad faith handling of the claim and denial of coverage, Shanco has suffered economic and non-economic damages, including attorney's fees and costs.

#### **COUNT I. BREACH OF CONTRACT**

9. Shanco hereby incorporates all allegations set forth in paragraph 1-9 as if fully set forth herein.

10. That the policy of insurance issued by Markel is a contract.

11. That Shanco paid all premiums due under the policy of insurance, submitted all required documentation, and performed all appropriate conditions which were required under the policy.

12. That Defendant, Markel, breached the policy of insurance by refusing to properly investigate the claim and by improperly denying the claim.

13. As a direct and proximate result of Defendant Markel's breach of policy, Shanco has suffered economic and non-economic damages, including attorney's fees and costs.

#### **COUNT II. BAD FAITH**

14. Shanco hereby incorporates all allegations set forth in paragraph 10-13 as if fully set forth herein.

15. That Defendant Markel owes Shanco, and its policy holders in general, the obligation of good faith and fair dealing in all claims presented by its insureds.

16. Defendant Markel, through its agents, employees, and attorneys, acted unreasonably in its investigation and refusal to pay Shanco's claim and that it did so in reckless disregard of the policy, the facts known, and all available information.

17. That Defendant, Markel, breached its duty to Shanco to adjust the claim in good faith, failed to investigate every available source of information, and failed to review appropriate documentation and information to properly adjudicate and adjust the claim.

18. That if Defendant Markel had conducted a good faith investigation it would have received appropriate information that established that the claim was due and owing.

19. That Defendant Markel, acting through its agents and employees, recklessly or intentionally delayed the investigation, ignored appropriate information and otherwise violated North Dakota law, including the Prohibited Practices in Insurance Act.

20. That Defendant Markel, in its handling of Shanco's claim acted in conscious disregard of Shanco's rights as an insured and has intentionally breached the implied covenant of good faith and fair dealing.

21. As a direct and proximate result of Defendant Markel's wrongful and bad faith conduct, Shanco has suffered economic and non-economic damages, including attorney's fees and costs.

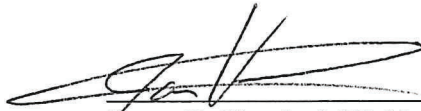
22. Defendant Markel's actions amounted to oppression, fraud, and/or actual malice justifying an award of exemplary or punitive damages. Accordingly, Plaintiff reserves the right to seek an amendment to the Complaint to request punitive damages at a later time.

WHEREFORE, Plaintiff seeks judgment from the Defendant as follows:

1. For economic and non-economic damages in excess of \$50,000;
2. For interests, costs, disbursements, and attorneys' fees as allowed by law; and
3. Such further relief as the Court deems just and proper.

Dated this 4 day of February, 2021.

**McGEE, HANKLA & BACKES, P.C.**



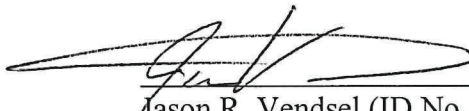
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**DEMAND FOR TRIAL BY JURY**

The Plaintiff, Shanco, LLC, hereby demands trial by jury of nine (9) jurors in the above-entitled matter.

Dated this 4 day of February, 2021.

**McGEE, HANKLA & BACKES, P.C.**



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